Vote No. 172

May 19, 1995, 10:53 a.m. Page S-6964 Temp. Record

BUDGET RESOLUTION/President Clinton's Budget Proposal

SUBJECT:

Senate Concurrent Budget Resolution for fiscal years 1996-2002 . . . S. Con. Res. 63. Hutchison (for Domenici) substitute amendment No. 1111.

ACTION: AMENDMENT REJECTED, 0-99

SYNOPSIS: As reported, S. Con. Res. 13, the fiscal year 1996 Concurrent Budget Resolution, will reduce projected spending over 7 years to balance the budget by fiscal year (FY) 2002 without increasing taxes. Savings that will accrue from lower debt service payments (an estimated \$170 billion) will be dedicated to a reserve fund, which may be used for tax reductions after enactment of laws to ensure a balanced budget. Highlights include the following: the rate of growth in Medicare will be slowed to 7.1 percent; Medicaid's rate of growth will be slowed to 5 percent and it will be transformed into a block grant program; the Commerce Department and more than 100 other Federal programs, agencies, and commissions will be eliminated; welfare and housing programs will be reformed; agriculture, energy, and transportation subsidies will be cut; foreign aid will be cut; defense spending will be cut and then allowed to increase back to its 1995 level; and Social Security will not be altered.

The Hutchison (for Domenici) substitute amendment would enact the provisions of President Clinton's proposed budget plan. The amendment was offered to give Senators the opportunity to express their opinion of that plan by voting on it. Under President Clinton's plan, the deficit would increase from \$177 billion this year to \$277 billion by FY 2000, the debt held by the public would rise from \$3.5 trillion this year to \$5 trillion by FY 2000, and entitlement spending would continue to grow at a rate far above the inflation rate. The projected deficit for FY 2002 would be more than \$300 billion. Elements of the President's budget include the following:

- Medicare spending would increase by 13 percent in FY 1996;
- Medicaid spending would increase by 8.5 percent in FY 1996;
- international affairs funding would increase by approximately \$800 million in FY 1996, with \$1.2 billion of that amount for United Nations peacekeeping;
 - \$62.7 billion in tax cuts would be phased in, with most of that cost occurring in the out-years of the budget;

(See other side)

YEAS (0)		NAYS (99)				NOT VOTING (1)	
Republicans (0 or 0%)	Democrats (0 or 0%)	Republicans (54 or 100%)		Democrats (45 or 100%)		Republicans (0)	Democrats (1)
		Abraham Ashcroft Bennett Bond Brown Burns Campbell Chafee Coats Cochran Cohen Coverdell Craig D'Amato DeWine Done Domenici Faircloth Frist Gorton Gramm Grams Grassley Gregg Hatch Hatfield Helms	Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Packwood Pressler Roth Santorum Shelby Simpson Smith Snowe Specter Stevens Thomas Thompson Thurmond Warner	Akaka Baucus Biden Bingaman Bradley Breaux Bryan Bumpers Byrd Conrad Daschle Dodd Dorgan Exon Feingold Feinstein Ford Glenn Graham Harkin Heflin Hollings	Inouye Johnston Kennedy Kerrey Kerry Kohl Lautenberg Leahy Levin Lieberman Mikulski Moseley-Braun Moynihan Murray Nunn Pell Pryor Reid Robb Rockefeller Sarbanes Simon Wellstone	EXPLANAT 1—Official I 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annou AN—Annou PY—Paired PN—Paired	ily Absent inced Yea inced Nay Yea

VOTE NO. 172 MAY 19, 1995

- new taxes and fees would be imposed, including a \$3-per-vehicle border crossing fee for Canada and Mexico; and
- the health insurance tax deduction for the self-employed would be allowed to lapse (Congress extended that deduction after the submission of the President's budget; see vote No. 126).

No arguments were expressed in favor of the amendment.

Those opposing the amendment contended:

President Clinton, the highest elected official in the most powerful nation on earth, recently made the plaintive assertion that he is still "relevant." Asserting one's leadership, however, is not the same as exercising it. President Clinton, in an act of political cowardice, has walked away from making the hard budget decisions that everyone knows are necessary. He has submitted a do-nothing budget that blandly accepts failure as America's destiny. President Clinton is AWOL--away without leadership--at a time when leadership is greatly needed. Talk is cheap; leadership comes from actions, not assertions of relevancy. Very difficult political decisions need to be made, and Republicans are willing to make them.

President Clinton's strategy appears to be to stand on the sidelines and snipe at Republicans for the spending cuts he does not have the courage to make. For example, he, and other Democrats, have been critical of the proposal in this resolution to slow the rate of growth in Medicare. We have no doubt that they will convince many Americans that this change is heartless. However, under President Clinton's do-nothing plan, Medicare will be totally broke in 7 years. Under his plan, anyone who is currently on Medicare and plans on dying within 7 years will personally benefit, but everyone else will lose.

Though some Americans will succumb to the President's misrepresentations of this budget, most Americans know that it is bitter medicine that the country must take. They know that politics as usual, as proposed by the President, would be disastrous. They know that the budget mess our Nation is in cannot be fixed with painless cuts, nor can it be fixed with tax hikes. Real cuts are necessary, especially in entitlements and in the size of the Federal Government. We strongly urge Democrats to join us in making the hard choices that are necessary; if they do not, they risk consigning themselves to political irrelevancy.

During the debate on the balanced budget, most Democratic Senators (but by no means all) insisted that a balanced budget amendment to the Constitution was not needed to balance the budget by 2002 because they had the courage to do so without such an amendment. On March 2, the votes of 70 percent of Democratic Senators defeated that balanced budget resolution. Today, 78 days later, that brave talk is much more muted. We do not hear our Democratic brethren spewing hosannas for the President's budget, which will add more than a trillion dollars to the debt, bankrupt Medicare, and raise the deficit above \$300 billion, all by the year 2002.

This vote is not intended to embarrass anyone; it is needed to set the terms of the debate from the very beginning. We need to have Senators on record as opposing any budget that does not achieve balance by the year 2002. Once this amendment is defeated, it will be clear that the Senate is in agreement (at least publicly) that the budget must be balanced, and the only debate that will remain is how to achieve that balance. We favor the approach taken in this budget resolution, which is to stop the twin cancers that are consuming our country--the expansion of entitlement programs, and the expansion of the size and grasp of the Federal Government. We are well aware that many Senators disagree with this approach; instead of attacking the cancers, they believe that the solution is to cut away healthy muscle, such as defense spending, and to fatten the patient, by increasing taxes to feed the cancers. We welcome this debate. However, it cannot start until the Senate clearly rejects the proposition that it is willing to pass a budget that is not in balance. Therefore, we urge our colleagues to join us in rejecting President Clinton's proposed budget.

While opposing the amendment, some Senators expressed the following reservations:

As Democrats, we are disappointed with the President's, a fellow Democrat's, budget. President Clinton has succumbed to the siren calls for a tax cut. That weakness in his plan is largely responsible for the deficit increases that will result. Even if he had not succumbed, we concede that his budget is rather timid, in that it fails to address entitlement spending. Of course, he tried to solve the entitlement spending problem last year with a comprehensive, national overhaul of our health care system. That proposal died in the Senate. We agree with our Republican colleagues that deficit reduction must be our top priority, and we add that President Clinton has proven his commitment to this fact with the above-mentioned health care proposal and with his 1993 budget proposal, which reduced the deficit by over \$500 billion (and which did not garner the vote of a single Republican). This year, though, we must concede that he has dropped the ball. His plan, quite frankly, is not constructive. We hasten to add, however, that many of us are even more opposed to the Republican proposal, because we believe that its proposed cuts in Medicare, welfare, housing, foreign aid, education, and other needed programs are heartless. Most Republicans believe in balancing the budget by slashing spending on needed programs (except defense), while Democrats prefer to raise taxes on the wealthy. Republicans know that the American people disagree with their approach, so they have proposed the President's budget as the first amendment to be considered by the Senate in an attempt to deflect public attention from their proposed budget. Though we object to this maneuver, we still must reluctantly oppose the President's budget.

MAY 19, 1995 VOTE NO. 172